

# DuretteBradshaw<sup>PLC</sup>

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September 5, 2008

**VIA EMAIL AND FIRST CLASS MAIL**

W. R. Baldwin, III, Esquire  
Marchant, Honey & Baldwin, LLP  
5600 Grove Avenue  
Richmond, Virginia 23226-2102

Re: Civil Action No. 3:08CV071  
ACMA USA, Inc., v. Surefil, LLC  
U. S. District Court – Eastern District of Virginia – Richmond Division

Dear Bill:

As you know, Surefil contends that the Machine in question in the above-referenced lawsuit has never performed in conformance with ACMA's representations or in a reasonably commercial manner or for the purposes for which the Machine was purchased and built. Despite past assurances by ACMA and its attempts to repair the Machine on multiple occasions, the Machine has been, and continues to be, non-conforming since installation in April 2007.

Surefil has made its own repeated efforts to repair the Machine. Despite these efforts, the Machine continues to malfunction. The most immediate concern right now is the continued inability of a Filler Head to consistently fill bottles. More often than not, it does not fill at all. This means one out of every 28 bottles on this 28 Head Filler / Capper Machine is a reject, resulting in increased costs and slowed production. Moreover, every customer that comes into the plant (as they commonly do in this industry) sees your malfunctioning Machine and questions Surefil's ability to meet its production requirements. The deficiencies with the Machine have had, and continue to have, a serious and detrimental effect on Surefil's business.

In Surefil's latest attempt to fix the Machine, it came to the conclusion that a certain motherboard was the cause of the problems related to the malfunctioning Filler Head. Depending on the position of the motherboard, the problem will move from Filler Head #1, 13 or 25. This motherboard is proprietary to ACMA and can only be purchased from ACMA. In August, Surefil made repeated requests to purchase this motherboard from ACMA. However, despite ACMA's duty to mitigate the damages it has and is causing Surefil, ACMA has refused to provide this motherboard or any other parts to Surefil since February 2008.

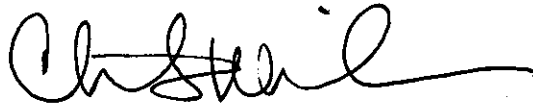
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Surefil has now exhausted all alternatives it knows of to try to repair this Machine. The Machine is non-conforming to the Order Confirmation provided by ACMA and this non-conformance has substantially impaired the value of the Machine to Surefil. As such, Surefil is hereby formally rejecting the Machine. To the extent you do not believe that Surefil has the right to reject the Machine, please consider this alternatively its formal revocation of acceptance of the Machine. Likewise, Surefil is rejecting, or to the extent necessary, providing revocation of acceptance, of all change parts supplied by ACMA.

Surefil hereby demands to be reimbursed for the \$273,506.33 payment it made on the Machine in October 2006 and for all payments it has made for change parts and for the computer system supplied earlier this year.

Please provide instructions regarding ACMA's plan to retrieve the Machine. Surefil will work constructively with ACMA to effectuate the return of the Machine.

Sincerely,

A handwritten signature in black ink, appearing to read 'Christine A. Williams', with a long horizontal flourish extending to the right.

Christine A. Williams

cc: Mr. William B. Hunt